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# Global Daily Report

### Summary

- A string of disappointing global macro data came out yesterday; stock markets and commodities fell
- Theresa May rejected the EC's position on Brexit, the GBP fell
- Government bond yields came down, after the spike triggered by Jerome Powell's speech on Tuesday

Equity indices fell on both sides of the Atlantic, as a result of the pale macroeconomic figures published on Wednesday. China's lower-than-expected manufacturing activity pushed down mining companies' shares most of all. Commodity prices also sank, with copper shrinking 1.6% and oil slipping 2%. The latter was also dragged down by the higher-than-expected US oil inventory data. An analysis by the International Energy Agency also warned that the persistently growing US shale oil production squeezed down prices.

Spotify, the online music streaming company filed for a one-billion-dollar initial public offering at the New York Stock Exchange, with the US Securities and Exchange Commission.

The European Commission published its 119-page draft on the terms and conditions of Britain's leaving the community, and the post-Brexit relationship between the EU and the United Kingdom. The plan bewildered London, because the EU would keep Northern Ireland in its customs union in case of 'hard Brexit' (Britain's leaving the single market). Thus Northern Ireland and the rest of the UK would be subject to different jurisdictions. Moreover, the European Commission plans to finish negotiations by spring 2019, until which Britain would have no word at all into the EU's legislation, but the block expects the country to meet its financial obligations. The EC's tough stance reflects how weak Britain's negotiation position is. Prime Minister Theresa May rejected the EU's position; in her Friday speech on Brexit, she may expand on these issues. After the publication of the EC's document, the pound immediately lost 0.7% against the EUR, and the 10Y UK yield came five points down.

After Tuesday's strong spike following Jerome Powell's speech, bond yields returned to previous levels on Wednesday; US and German 10Y government bond yields both eased two points. The US dollar regained 0.2% ground from the EUR.

A string of disappointing economic data came out yesterday: China's sentiment indicators missed expectations, the Chicago purchasing managers' index hit its lowest in six months, and US pending home sales fell to a low unseen for three years. Moreover, the BEA revised down America's GDP growth for Q4 2017.

More economic statistics are due out in the USA today. The most important of them, is personal consumption in January, and the Core PCE Deflator, which the Fed keeps a close eye on. Jerome Powell is to speak before Senate today.

	Stocks				Bonds				Commodity & FX			
	Product name	Close	Daily change (%)	YTD (%)	Product name	Yield	Daily change*	YTD	Product name	Close	Daily change (%)	YTD (%)
Global	S&P500	2713,8	-1,1	1,5	VIX	19,9	7	80	WTI	61,64	-2,2	2,0
	DOW	25029,2	-1,5	1,3	US 2Y	2,3	0	37	Brent	65,78	-1,3	-1,6
	Nasdaq100	6854,4	-0,7	7,2	US 10Y	2,9	-4	46	Arany	1317,66	0,0	1,2
	DAX	12435,9	-0,4	-3,7	GER 2Y	-0,5	-1	11	Ezüst	16,41	-0,1	-3,2
	CAC40	5320,5	-0,4	0,1	GER 10Y	0,7	-2	24	EUR/USD	1,22	-0,3	1,6
	FTSE 100	7231,9	-0,7	-5,9	PT10Y	2,0	-2	6	EUR/GBP	0,89	0,8	-0,2
	FTSE MIB	22607,6	-0,5	3,5	IT 10Y	2,1	-2	7	EUR/NOK	9,64	0,1	-2,2
	Stoxx600	379,6	-0,7	-2,5	SP 10	1,5	-2	-3	USD/CAD	1,28	0,4	2,0
	- Banks	169,4	-0,9	2,7	iTRAXX	52,4	0	16	AUD/USD	0,78	-0,4	-0,5
	Nikkei 225	21724,5	-1,6	-4,6	JPY 2Y	-0,2	0	-2	USD/JPY	106,67	-0,6	-5,3
SSEC	3272,1	0,4	-1,1	JPY 10Y	0,0	-1	-1	GBP/USD	1,38	-1,1	1,8	
Regional	RTS	1285,5	-1,9	11,4	RUS10	7,0	0	-7	USD/RUB	56,340	0,2	-2,3
	WIG20	2364,3	-2,4	-3,9	POL 10	3,4	-1	2	EUR/PLN	4,17	0,1	0,0
	PX50	1120,5	0,8	3,9	CZ10	1,9	0	26	EUR/RON	4,654	-0,1	-0,5
Hungary	BUX	38112	-0,9	-3,2	3M T-Bill	0,02	-6	-2	EUR/HUF	313,74	-0,1	1,0
	OTP	11500	-0,3	7,3	1Y	0,05	-2	0	USD/HUF	257,11	0,2	-0,7
	MOL	2816	-0,6	-6,3	3Y	0,93	3	38	CHF/HUF	272,26	-0,4	2,7
	MTelekom	455	-0,9	-0,7	5Y	1,52	1	35	PLN/HUF	75,11	-0,2	1,1
	Richter	5680	-2,1	-16,2	10Y	2,63	4	58	GBP/HUF	353,78	-0,9	1,3

\* In the case of bond yields, the change is in basis points instead of percentage (VIX and ITRAXX not included).

Sources: Reuters, OTP Research

Data	Cd.	Event/Data	Period	Fact	Cons.	Prev.
2018 2. 26. 16 : 00	US	New home sales (annualized monthly, '000s)	Jan.	593	624	643
27. 9 : 00	HU	Unemployment rate (%)	Jan.	3,8	-	3,9
11 : 00	EZ	EC Economic Sentiment Index (points)	Febr.	114,1	114,0	114,7
14 : 00	HU	Interest rate decision (%)	Febr.	0,9	0,9	0,9
14 : 00	DE	CPI (flash, yoy, %)	Febr.	1,4	1,5	1,6
14 : 30	US	Durable goods orders (mom, %)	Jan.	-3,7	-2,0	2,8
15 : 00	US	Case-Shiller Home Price Index (yoy, %)	Dec.	6,3	6,2	6,4
16 : 00	US	Consumer confidence (point)	Febr.	130,8	126,0	125,4
16 : 00	US	Jerome Powell testimony (House Financial Services Comm.)	-	-	-	-
28. 2 : 00	CN	NBS Manufacturing PMI (points)	Febr.	50,3	51,2	51,3
2 : 00	CN	NBS non-Manufacturing PMI (points)	Febr.	54,4	-	55,3
8 : 45	FR	GDP (preliminary, qoq, %)	Q4	0,6	0,6	0,6
9 : 00	HU	Industrial producer prices (yoy, %)	Jan.	3,3	-	3,9
9 : 00	HU	Investment (yoy, %)	Q4	14,0	-	18,0
10 : 00	PL	GDP (detailed, yoy, %)	Q4	5,1	-	5,1*
11 : 00	EZ	CPI (flash, yoy, %)	Febr.	1,2	1,3	1,3
11 : 00	EZ	Core CPI (flash, yoy, %)	Febr.	1,0	1,1	1,0
14 : 30	US	GDP (second estimate, annualized, yoy, %)	Q4	2,5	2,5	2,6*
15 : 45	US	Chicago PMI (points)	Febr.	61,9	64,0	65,7
16 : 00	US	Pending home sales (mom, %)	Jan.	-4,7	0,5	0,5
3. 1. 9 : 00	HU	Manufacturing PMI (points)	Febr.	-	-	60,9
11 : 00	EZ	Unemployment rate (%)	Jan.	-	8,6	8,7
14 : 30	US	Personal income (mom, %)	Jan.	-	0,3	0,4
14 : 30	US	Personal consumption (adjusted, mom, %)	Jan.	-	0,2	0,4
14 : 30	ES	GDP (detailed, qoq, %)	Q4	-	0,7	0,7
16 : 00	US	Construction expenditure (mom, %)	Jan.	-	0,2	0,7
16 : 00	US	ISM Manufacturing PMI (points)	Febr.	-	58,6	59,1
21 : 30	US	Vehicle sales (annualized monthly, million)	Febr.	-	17,3	17,1
2. 8 : 00	DE	Retail sales (mom, %)	Jan.	-	0,9	-1,9
9 : 00	HU	Trade balance (detailed, monthly, EUR mn)	Dec.	-	-	502*
9 : 00	CZ	GDP (detailed, qoq, %)	Q4	-	-	0,5
10 : 00	IT	GDP (detailed, qoq, %)	Q4	-	0,3	0,4
16 : 00	US	Michigan Consumer confidence (preliminary, points)	Jan.	-	95,0	94,4
4. 16 : 00	IT	Italian general election	-	-	-	P. Gentiloni

\* preliminary data

Sources: Reuters, OTP Research

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